

Notice of Proposed Action

The Administrator of the Motor Vehicle Administration proposes to amend **Regulation .01 - .03, and .05 - .10** under **COMAR 11.12.03 Automotive Dismantlers and Recyclers, and Scrap Processors**.

Statement of Purpose

The purpose of this action is to amend regulations to clarify and update mandated guidelines for Automotive Dismantlers and Recyclers, and Scrap Processors pursuant to House Bill 499, Chapter 377, Acts of 2012.

Title 11 DEPARTMENT OF TRANSPORTATION

Subtitle 12 MOTOR VEHICLE ADMINISTRATION — LICENSING OF BUSINESSES AND OCCUPATIONS

Chapter 03 Automotive Dismantlers and Recyclers, and Scrap Processors

Authority: Transportation Article, §§12-104(b) and 15-511, Annotated Code of Maryland

.01 Licensing of Automotive Dismantlers and Recyclers, and Scrap Processors.

A. — B. (text unchanged)

C. One automotive [dismantler's] *dismantler* and recycler's or scrap processor's license shall be permitted for any one location.

D. — E. (text unchanged)

F. An automotive dismantler and recycler or scrap processor shall use the Administration's designee's electronic system for all reporting required under this Subtitle or Transportation Article, § 15-511.

.02 [Traders] *Trader's License, Zoning, and Locations Adjoining Water or in a Flood Plain.*

A. The applicant or licensee, or both, shall have a valid [traders] *trader's* license. The [traders] *trader's* license shall be displayed in the office of the licensed business in a conspicuous place.

B. The automotive dismantler and recycler or scrap processor location shall comply with all local ordinances, [and] zoning regulations, *and applicable State and federal laws.*

[C. An automotive dismantler and recycler or scrap processor who owns or maintains a facility lawfully in existence on January 1, 1972, which adjoins any river, stream, or other body of water shall:

(1) Store and maintain any trash, junk, automobiles, automobile tires, other automobile parts and other refuse in such manner as to prevent the dumping, depositing, or transporting of this matter into the waters of the State, as defined in Natural Resources Article, §8-101, Annotated Code of Maryland;

(2) Inform the Department of the Environment and the Department of Natural Resources, Water Resources Administration, of provisions planned or made to prevent the dumping, depositing, or transporting of the matter specified in §C(1) into the waters of the State; and

(3) Comply with the provisions of standards and specifications for restraining the dumping, depositing, or transporting of the matter specified in §C(1) into the waters of the State.

D. An automotive dismantler or recycler or scrap processor's facility within the 100-year flood plain of waters of the State, as defined in Natural Resources Article, §8-101, Annotated Code of Maryland, shall have obtained a permit by the Department of Natural Resources, Water Resources Administration, before operating or allowing operation of the facility. However, a person licensed under this subtitle at a fixed location, as specified in the application, on or before December 31, 1985, may not be refused permission to operate at the fixed location solely because any portion of the fixed location is within the 100-year flood plain of waters of the State, as defined in Natural Resources Article, §8-101, Annotated Code of Maryland.]

.03 Office Requirements.

A. — D. (Text unchanged)

E. Every licensed automotive dismantler and recycler or scrap processor shall use [the] *its business* license number [from their license upon] *on* all Administration forms, in the area provided for the number.

.05 [Use and Disposition of Forms and] *Inventory Reporting and Vehicle Identification Device.*

A. [All forms shall be submitted and approved in a manner as may be prescribed by the Administration] *Every licensed automotive dismantler and recycler or scrap processor shall use its business license number when entering information into the Administration's designee's electronic system, on all forms, and in all advertisements, including any statements or representations made in any newspaper, pamphlet, circular, other publication, including but not limited to electronic media, radio or television, and in or on any notice, handbill, sign, billboard, poster, bill catalog, letter, or business card.*

B. Every vehicle, body, or chassis [listed on the initial inventory report or subsequent inventory reports] *reported in the Administration's designee's electronic system, and which is held for longer than the end of the first business day following the date of the transaction, shall be tagged with a numbered identification device which shall:*

(1) — (2) (text unchanged)

(3) *Agree with the identification number listed for the vehicle on all forms required by the Administration and in the Administration's designee's electronic system.*

C. *Except as provided in §E(2) of this regulation, [A]a licensed automotive dismantler and recycler or scrap processor [shall submit to the Administration or its designee an initial inventory report and subsequent inventory, including immediate disposal inventory reports, which] shall:*

(1) [Be received at the Administration or its] *Transmit, electronically, to the Administration's designee, by [the last day of the month for vehicles acquired during the preceding month] the end of the first business day following the date of the transaction,*

[(2) Include] *information on every vehicle acquired by the licensed automotive dismantler and recycler or scrap processor at the location for which the license was issued; and*

[(3) Be] (2) *If not currently conducting business, [submitted] submit a report of no business by the end of the month, even if there are no vehicles acquired or disposed of during the month.*

D. *Acquisition of Vehicles By a Scrap Processor From Other Than a Licensed Automotive Dismantler and Recycler.*

(1) *A printout of the notification made in accordance with §C(1) of this regulation, along with the certificate of title of the vehicle, or other documentary evidence of ownership acceptable to the Administration, shall be retained by the scrap processor for a period of 3 years.*

(2) *The Administration shall consider the date of acquisition as the date of destruction of the vehicle.*

E. *Transfer of a Vehicle From an Automotive Dismantler and Recycler To a Scrap Processor.*

(1) *Upon transfer of a vehicle from an automotive dismantler and recycler to a scrap processor, the automotive dismantler and recycler shall electronically notify the Administration's designee of the conveyance of ownership.*

(2) *For vehicles that have been flattened or cubed, the scrap processor shall maintain a record of the business license of the automotive dismantler and recycler and the details of the transaction.*

.06 Storage.

Vehicles acquired by automotive dismantlers and recyclers *that have not been flattened or cubed* may not be stored more than two high and shall be stored in a safe and secure manner readily accessible to inspection.

.07 [Junked Vehicle Sticker.

A. The Administration may issue a junked vehicle sticker to any vehicle stored by a licensed automotive dismantler and recycler, when the automotive dismantler and recycler can produce acceptable evidence of ownership.

B. If a licensed automotive dismantler and recycler acquires a vehicle that does not have a vehicle identification number (VIN) attached, the licensed automotive dismantler and recycler shall:

(1) Report to the Administration the need for a junked vehicle sticker on an inventory report;

(2) Affix the junked vehicle sticker to the vehicle to which it was assigned;

(3) Use the junked vehicle sticker number in place of vehicle identification number on all required forms for dismantling and scrapping only.]

Acceptable Forms of Documentary Evidence of Ownership.

Except as provided in .05E(2) of this chapter, upon taking possession of a vehicle, or before dismantling, destroying or scrapping the vehicle, an automotive dismantler and recycler or scrap processor must obtain one of the following forms of documentary evidence of ownership:

A. *Certificate of Title;*

B. *Salvage Certificate;*

C. *For individuals not listed in the records of the Administration as the sole owner of the vehicle, Affidavit of Lawful Possession, accompanied by proof of notification pursuant to Transportation Article, § 15-509.*

D. *For individuals listed in the records of the Administration as the sole owner of the vehicle, or an agent of the owner, Affidavit of Ownership, accompanied by documentation acceptable to the Administration to verify ownership of the vehicle.*

E. *If the vehicle was acquired from a law enforcement agency at an auction, an auctioneer's receipt (VR-112) under Transportation Article § 15-511 and 25-207(f);*

F. *Certificate of Authority to Dispose of an Abandoned Motor Vehicle to an Automotive Dismantler and Recycler or Scrap Processor (CS-78), authorized by a law enforcement agency under Transportation Article § 25-209; or*

G. *Insurance Affidavit in Lieu of a Title, pursuant to Transportation Article, § 13-506.*

.08 [Transfer of a Vehicle from an Automotive Dismantler and Recycler to a Scrap Processor.

Within 10 days after an automotive dismantler and recycler delivers a vehicle to a scrap processor, the automotive dismantler and recycler shall notify the Administration of the conveyance of ownership on the forms provided by the Administration.

.09 Acquisition of Vehicles by a Scrap Processor.

A. When a scrap processor acquires a vehicle, other than from a Maryland licensed automotive dismantler and recycler, the scrap processor shall execute and forward a certification of destruction on a form provided by the Administration.

B. This certification of destruction form, along with the certificate of title of the vehicle or other documentary evidence of ownership acceptable to the Administration, shall be forwarded to the Administration within 30 days of the date of acquisition.

C. The Administration shall consider the date of acquisition as the date of destruction of the vehicle.]

[.10] Refund of Licensing Fees.

A. (text unchanged)

B. Requests for refunds shall be submitted in writing, on forms provided by the Administration, after the cancellation of the [registration] *license* and before the first day of the second [registration] *license* year.

JOHN T. KUO

Administrator

Motor Vehicle Administration